Message Text

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46

ORIGIN EB-11

INFO OCT-01 ARA-11 EUR-25 IO-13 ADP-00 AID-20 CIAE-00

COME-00 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07

OPIC-12 CIEP-02 LAB-06 SIL-01 OMB-01 NSC-10 SS-15

STR-08 CEA-02 L-03 H-02 PRS-01 INRE-00 SSO-00 NSCE-00

AGR-20 TAR-02 /186 R

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EB/ITP:JCRENNER (SUBS)

EUR/NE:JBECELIA

EUR/RPE:AALBRECHT

ARA/CAR:WBWHEELER

ARA/ECP:DAMBACH

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O R 051622Z JUL 73

FM SECSTATE WASHDC

TO AMEMBASSY LONDON IMMEDIATE

USMISSION GENEVA IMMEDIATE

INFO USMISSION EC BRUSSELS

AMCONSUL BELIZE

AMEMBASSY BRIDGETOWN

AMEMBASSY GEORGETOWN

AMEMBASSY KINGSTON

AMEMBASSY PORT OF SPAIN

AMCONSUL NASSAU

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E.O. 11652: N/A

TAGS: ETRD, GATT, US, UK

SUBJECT: UK DOLLAR AREA QUOTAS

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PER SMITH/CRAWFORD JULY 3 TELECON

- 1. THE FOLLOWING EXCHANGE OF AIDE-MEMOIRES TOOK PLACE JULY 3 AND JULY 5. IN ORDER TO MEET THE BRITISH REQUIREMENT FOR PROMPT ACCEPTANCE OF ITS AIDE-MEMOIRE, THE BRITISH EMBASSY WAS HANDED A LETTER BY AMBASSADOR MALMGREN ON JULY 3 ACCEPTING THE ELEMENTS OF THE SETTLEMENT OF THE US COMPLAINT, WHICH IS CONFIRMED BY THE AIDE-MEMOIRE FROM THE DEPARTMENT.
- 2. BEGIN TEXT OF JULY 3 BRITISH AIDE MEMOIRE, WHICH IS UNCLASSIFIED.

THE BRITISH EMBASSY HAVE BEEN INSTRUCTED TO CONFIRM TO THE OFFICE OF THE SPECIAL TRADE REPRESENTATIVE THE AGREEMENT WHICH WAS REACHED IN TALKS BETWEEN BRITISH AND UNITED STATES REPRESENTATIVES ON 8 JUNE ON THE SUBJECT OF DOLLAR AREA QUOTAS.

ON THE UNDERSTANDING THAT THIS WILL PROVIDE A SETTLEMENT OF THE PROBLEM WHICH IS ACCEPTABLE TO THE GOVERNMENT OF THE UNITED STATES, THE BRITISH GOVERNMENT CONFIRMS THAT:

- (A) THE QUOTA ON RUM WILL BE SUBSTANTIALLY ENLARGED IN EACH OF THE 1975 AND 1976 QUOTA YEARS, WHICH RUN FROM 1 JANUARY TO 31 DECEMBER, AND WILL BE TERMINATED FROM 1 JANUARY 1977.
- (B) THE QUOTAS ON FRESH AND FROZEN GRAPEFRUIT, CANNED GRAPEFRUIT AND ORANGE AND GRAPEFRUIT JUICES WILL BE TERMINATED FROM 1 OCTOBER 1975.
- (C) THE QUOTA ON CIGARS WILL BE SUBSTANTIALLY ENLARGED IN EACH OF THE 1974 AND 1975 QUOTA YEARS, WHICH RUN FROM 1 JANUARY TO 31 DECEMBER, AND WILL BE TERMINATED FROM 1 JANUARY 1976.

THE BRITISH GOVERNMENT UNDERSTAND THAT IT IS THE INTENTION OF THE UNITED STATES GOVENMENT TO REVERT LATER IN THE YEAR TO THE QUESTION OF FRESH GRAPEFRUIT AND LIMITED OFFICIAL USE

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AGREE THAT IN THE MEANTIME BOTH GOVERNMENTS WILL CONSIDER FURTHER THE RELEVANT ECONOMIC FACTORS.

THE UNITED STATES GOVERNMENT ARE REQUESTED TO CONFIRM THAT THE ABOVE REPRESENTS AN ACCEPTABLE SETTLE-MENT OF THE QUESTION OF DOLLAR AREA QUOTAS AND THAT THE UNITED STATES WILL NOW INFORM THE CONTRACTING PARTIES TO THE GATT THAT THE MATTER HAS BEEN SETTLED BY

BILATERAL CONSULTATION. END TEXT.

3. BEGIN TEXT OF STATE DEPARTMENT REPLY OF JULY 5, WHICH IS ALSO UNCLASSIFIED.

THE DEPARTMENT OF STATE REFERS TO THE BRITISH EMBASSY'S AIDE-MEMOIRE OF JULY 3 CONTAINING THE ELEMENTS OF A SETTLEMENT OF THE PROBLEM OF DOLLAR AREA QUOTAS ARRIVED AT IN TALKS BETWEEN BRITISH AND UNITED STATES REPRESENTATIVES ON JUNE 8, 1973. THE DEPARTMENT OF STATE CONFIRMS THAT THE SETTLEMENT SET FORTH IN THE AIDE-MEMOIRE OF JULY 3 IS SATISFACTORY. THE UNITED STATES WILL INFORM THE CONTRACTING PARTIES THAT THE MATTER HAS BEEN SETTLED BY BILATERAL CONSULTATIONS. END TEXT.

4- GENEVA AND INFO POSTS SHOULD NOT REVEAL TEXTS OF AIDE-MEMOIRES PENDING FURTHER INSTRUCTIONS. RUSH

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Message Attributes

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Current Classification: UNCLASSIFIED

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Disposition Approved on Date:
Disposition Authority: worrelsw
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Review Markings:

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

Review Media Identifier: Review Referrals: n/a Review Release Date: n/a Review Release Event: n/a **Review Transfer Date:** Review Withdrawn Fields: n/a

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To: LONDON GENEVA

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005